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Monday, October 17, 2011

Professors of Economics
University of Utah

Ref: Maybe America's "only" possible fix for its Economic Deficit.

Professors,

Over two decades ago I took upon my self a study to find out why some supposedly good people that I encountered in Utah were so very dishonest and crooks. But that's another story. With my acquired tools in Operations Research Analysis I set out to examine the American economy. It took a year and one half to finally assemble a very different sort of model that showed what was happening with U.S. dollars. I was shocked. But actually what I could see coming down in the U.S. economy was very logical.

I made what I called "Deficit Recovery Rules". As simple as I could say it, the most fundamental rule is every entity must produce as much as it consumes. We can recognize that due to the efficiency of production, only one in seven of us actually need to produce food and goods. So six of seven of us can be in the service sector. But if the one in seven producers are not there, a service economy cannot sustain itself. This is the second fundamental rule.

At that time I took my findings to the heads of the Economic Departments to Utah's three principle Universities, the U of U, BYU, and Utah State. They all said the same thing: They did not understand the Macro-economy, and they did not study or teach it.

For five years I tried to get our Senator Orrin Hatch to sit down with me and see my "Deficit Recovery Rules", he would not meet with me. He finally wrote to me and asserted the following:

"I strongly support maximizing Americans' freedom of choice in product selection", . . . "Finally, I do not support restraints on capital flows in and out of the United States. Our balance of payments, current accounts, and even our continued industrial development depend on freedom of capital flows across boundaries."

Senator Orrin Hatch, 1995

I wrote back to him, many times, and told him that if he did get international trade into balance; the U.S. would become bankrupt and with the U.S. bankrupt much of the other nations of the world with us. So now it's happening. Friday evening, September 30th, on TV Fox 13, Senator Hatch made a public plea for any ideas on how to fix the deficit situation. The situation is very bad now. The U.S. deficit has gone up five fold

since I first approach the Senator. Attached below is up graded copy of what I wrote to him. I have sent a copy of this to two of Professors at Princeton University. Please consider what I have written here. If you take exception to any of this please tell me.

To try to fix the U.S. economy President Obama is going the wrong direction. It was wrong for him to do away with Pontiac and Saturn. He should have gotten rid of Toyota, Honda, and Volkswagen and many other foreign cars. Our importing oil is almost half the deficit. America needs to build 500 new nuclear power plants for making electricity to manufacture hydrogen from water for our own fuel. Money can't be taken out of the economy to replace money escaping the economy due to our massive imbalance of trade. The idea of taxing the rich will not work. Making more U.S. jobs will not work either. The U.S. has to bring back its jobs that have been exported to other countries. Making things cheaper with foreign labor is no excuse to go outside of our own labor market. No matter what our own U.S. labor costs, it's what we have to work with. The economy must be confined and only then can money be pumped into it to make it flourish.

Please consider what I have written here. Please consider my deficit recovery rules. Tell me if you take exception to any of this. I believe that my Deficit Recovery Institute Rules "DRI" rules are the only way the World can operate.

Sincerely yours,

William (Bill) D. Peterson

cc: Professor Alan B. Krueger
Professor Anne C. Case
Blue Ribbon Commission for Nuclear Power
Eventually
Princeton University
All of its Department of Economics